



4310-HC
NVN-093420

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLNV920000 L13300000 EP0000; MO 4500067809]

**Call for Expressions of Competitive Interest; Possible Sale of Federal Minerals,
Esmeralda County, NV**

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Land Management (BLM) Nevada State Office is seeking expressions of interest for a possible competitive mineral materials sale of three stockpiles containing potassium and sodium salts, constructed by the layering of salt mechanically scraped from the evaporative ponds belonging to Rockwood Lithium (Rockwood), formerly doing business as Chemetall Foote Corporation/Cyprus Foote Mineral Company. The stockpiles are a byproduct of lithium carbonate processing of Rockwood's lithium brine operations and are stockpiled on approximately 340 acres of private land owned by Rockwood Lithium in Clayton Valley, Esmeralda County, Nevada at Silver Peak.

DATES: Parties interested in participating in a competitive sale for the materials described in this notice should notify BLM at the address below by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Submissions expressing interest in participating in a competitive sale for the Federal Mineral Salt Stockpiles should be sent to the Bureau of Land Management, Nevada State Office, Attention: Gary Johnson, Deputy State Director, Minerals Management, 1340 Financial Blvd., Reno, NV 89502.

FOR FURTHER INFORMATION CONTACT: T. Scott Murrellwright, by telephone at 775-881-6581; or by email at tmurrell@blm.gov. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-775-861-6511 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: The 3 stockpiles are located approximately 50 miles southwest of Tonopah, Nevada. The nearest major roads accessing the Rockwood operations area are U.S. 95 S. and Silver Peak Road. The stockpiles are located on the north and south side of Silver Peak Road approximately 2 miles west of Silver Peak. The subject stockpiles are located on Rockwood private lands and a portion of BLM lands described approximately as:

Mount Diablo Meridian

45 Pond Pile located on Rockwood Private Lands & BLM Land

T. 2 S., R. 39 E.,
sec. 13, NE1/4SE1/4, SE1/4SE1/4.
sec. 13, NE1/4SW1/4 (BLM land)

10 Pond Pile located on Rockwood Private Lands

T. 2 S., R. 40 E.,
sec. 18, lots 10, 11 and 12, SE1/4SW1/4;
sec. 19, lots 5 and 8, NE1/4NW1/4, SE1/4NW1/4.

R3 Pond Pile located on Rockwood Private Lands

T. 2 S., R. 39 E.,
sec. 24, NE1/4NE1/4.

T. 2 S., R. 40 E.,

sec. 18, lot 12;
sec. 19, lots 5 and 6.

The combined volume of the 3 stockpiles is approximately 5,500,000 metric tons.

Map Location Link: https://maps.google.com/maps?q=silver+peak+nevada&ie=UTF-8&hq=&hnear=0x80be998255daf4bb:0xff5564b360df52de,Silver+Peak,+NV+89047&gl=us&ei=DOqNU6q_HMyIogTC7YDgCA&sqi=2&ved=0CI8BEPiBMA4

Map Stockpiles Link:

http://www.blm.gov/nv/st/en/prog/minerals/saleable_minerals.html.

The material in these stockpiles is composed of semi-crystalline heterogeneous salt, composed of approximately 70 percent Sodium Chloride (NaCl) and 19 percent Potassium Chloride (KCl). The NaCl and KCl may be marketable, but in its present form, the salt(s) cannot be used. The salts must first be processed to a higher percentage of sodium and/or potassium in order to be marketable.

The stockpiles also contain lithium (Li) at approximately ½ percent of the total volume. The lithium in the stockpiles is the property of Rockwood (see 1991 Settlement Agreement below).

Rockwood or its predecessor-in-interest has been operating a lithium brine solution mining operation on lands in Clayton Valley, Esmeralda County, Nevada near the town of Silver Peak since the 1970's, first on Federal public domain lands, and then on private lands after the Federal lands were patented to Rockwood's predecessor, Chemetall Foote Corporation, subject to a reservation of Mineral Leasing Act minerals within the patented lands. The lithium solution mine pumps lithium-containing brine from ancient aquifers into large solar evaporative ponds for the purpose of precipitating and concentrating salts before they are processed into lithium carbonate for use in lithium ion batteries and other industrial applications. As part of this process, Rockwood has

created stockpiles over the years when harvesting lithium that contain lithium, potassium and sodium salts. These salts are being stockpiled on Rockwood's patented land within the operational boundary of the solution mine.

A 1991 Settlement Agreement to resolve litigation between the United States and Rockwood's predecessor allows for shared rights to the minerals in these stockpiles. The settlement agreement provides that Rockwood maintains first rights to any remaining lithium in the salt stockpiles. It further provides that the United States maintains the rights to the potassium and sodium in the stockpiles, but may not dispose of those minerals until the stockpiles no longer contain lithium in economic quantities. A copy of the June 1991 Settlement Agreement between the Cyprus Foote Mineral Company and the United States of America/Department of Justice can be accessed at, http://www.blm.gov/nv/st/en/prog/minerals/saleable_minerals.html.

The settlement agreement provides that special terms would need to be negotiated with Rockwood before any third party could gain access to the stockpiles. Any negotiated access agreement would need to ensure that the activities of such third party would have no adverse effect on Rockwood's current or reasonably anticipated operations and would need to resolve the issue of Rockwood's ownership of any economic quantities of lithium remaining in the stockpiles. We encourage potentially interested parties to carefully review the terms of the settlement agreement before initiating a notice of interest to the BLM.

If the BLM determines there is competitive interest in the stockpiles, and that a competitive sale is warranted, Rockwood would first need to waive a provision in the settlement agreement that currently prevents BLM from disposing of the potassium and

sodium salts in the stockpiles so long as the stockpiles contain marketable lithium.

Subsequently, the BLM and Rockwood would need to agree on stipulations to ensure that Rockwood's operations would not be adversely impacted by a third party sale. The BLM would include notice of these stipulations in any sale notice for these materials. In addition, these stipulations would be attached to any contract with a third party.

Parties expressing interest in participating in a competitive sale of the stockpiles must be authorized to transact business in Nevada. Interested parties should submit a letter of interest to the addressee in the ADDRESSES section.

The BLM will review submissions from interested parties in response to this notice seeking expressions of competitive interest and determine whether competitive interest exists in the Federal Mineral Salt Stockpiles described above. If the BLM determines sufficient competitive interest exists, and issues related to the settlement agreement are resolved, the BLM may use a competitive-bidding process, consistent with the regulations, to conduct the competitive sale.

This notice is a request for expressions of interest only. Even if competitive interest is expressed, it is possible that no competitive sale will take place due to the need for a waiver and for negotiated stipulations, discussed above.

If a competitive sale takes place, it will be conducted in accordance with the Materials Act of 1947 (30 U. S. C. 601 et seq.) and the regulations at 43 CFR part 3600, in accordance with the nature of the stockpiled materials, which were removed from the ground and stockpiled on the surface for future use.

Authority: 43 CFR 3602.40

Marci L. Todd,
Associate State Director.

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